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**From:** Simms, Kedrin T  
**Sent:** Wednesday, May 07, 2008 1:07 PM  
**To:**  
**Subject:** Fairfield language

On July 10, 2007, the Department of Housing and Urban Development entered into a Settlement Agreement with Fairfield Resorts, Incorporated (Fairfield) for alleged violations of the Interstate Land Sales Full Disclosure Act. Fairfield failed to complete water distribution facilities, sewer collection and treatment systems, electrical services and roads in certain sections of the Fairfield Glade subdivision in 1998 as specifically represented in the Property Reports filed with the Department for the period May 11, 1973, through November 21, 1975. Property Reports filed for prior and subsequent periods did not specify a completion date. Therefore, the Department could not hold Fairfield responsible for other periods. A copy of the Settlement Agreement can be found at [www.hud.gov/offices/hsg/sfh/ils/ilsetagr.cfm](http://www.hud.gov/offices/hsg/sfh/ils/ilsetagr.cfm).

Previously, on August 29, 2006, the state of Tennessee and Fairfield entered into the Tennessee AVC to provide consumer relief to certain categories of consumers who filed a complaint about Fairfield. A copy of the Tennessee Assurance of Voluntary Compliance can be found at: [www.attorneygeneral.state.tn.us/cases/fairfieldresort/fairfieldresortfinal.pdf](http://www.attorneygeneral.state.tn.us/cases/fairfieldresort/fairfieldresortfinal.pdf).

Under the Department's settlement, Fairfield will offer current owners, who are the original purchasers and bought lots during this period that remain undeveloped, a 100 percent refund of the price paid to acquire their lots in exchange for deeding the lots back to Fairfield, and owners ready to build can exchange their undeveloped lots for comparable developed lots. The settlement also provides that original purchasers who purchased outside the period and filed a complaint with the Department prior to December 31, 2006, will be entitled to receive a 65 percent refund of the price paid to acquire their lots in exchange for deeding the lots back to Fairfield. Purchasers in this category are not entitled to recover under both the Department's settlement and the Tennessee Assurance of Voluntary Compliance (Tennessee AVC).

Under the terms of the Tennessee AVC, current owners of undeveloped lots may return the lots to Fairfield and receive 65 percent of their purchase price or exchange their undeveloped lots for developed lots. Consumers who sold their lots for less than 30 percent of the original purchase price will receive 50 percent of their original purchase price, minus the amount made from the sale of the lot, plus any expenses associated with the sale of the lot. The Tennessee AVC also provides relief for consumers who lost their lot to foreclosure, or deed in lieu of foreclosure, or voluntary surrender, a refund of 50 percent of the dues they paid to the Fairfield Glade Community Club.

Kedrin T. Simms-Brachman  
Congressional Liaison Officer  
Office of Congressional and Intergovernmental Relations  
U.S. Department of Housing and Urban Development